

Application Serial No. 09/668,547
Response dated November 21, 2005
Response to Office Action of May 20, 2005

29. (Previously Presented) In a communications network having a server system capable of communicating with a plurality of bidder systems of a plurality of bidders, a method of conducting an auction for shares of a pooled investment product comprising:

receiving at the server system investment product information after the pooled investment product has achieved a hurdle rate, the investment product information comprising:

a total number of available shares;

a redemption price per share corresponding to a price per share of the pooled investment product at the hurdle rate;

a maximum bid price per share; and

a minimum bid price per share;

opening an auction for the shares of the investment product;

receiving at the server system bids from the bidders relating to the investment product, each bid comprising a bid price per share and a number of shares bid, wherein the bid price is greater than or equal to the minimum bid price per share and less than or equal to the maximum bid price per share;

successively determining a successive winning bidder at the server system, wherein each winning bidder receives a guaranteed return equal to the difference between the redemption price per share and the bid price per share multiplied by the number of shares bid by the winning bidder; and

successively reducing the total number of available shares by the number of shares bid by each winning bidder.

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30. (Previously Presented) A method of bidding on shares of a pooled investment product in an auction, the method comprising:

electronically submitting a bid via a bidder system to a server system, the bid being on shares of the pooled investment product after the investment product has achieved a hurdle rate and comprising:

a bid price per share, wherein shares of the pooled investment product have a price per share at the time of the bid, the bid price per share being less than the net asset value per share of the pooled investment product at the time of the bid, the bid thus corresponding to a guaranteed return per share comprising the net asset value per share of the pooled investment product at the time of the bid minus the bid price per share; and

a number of shares bid;

winning the auction;

receiving the number of shares bid of the pooled investment product; and

redeeming the number of shares bid of the pooled investment product at the guaranteed return per share.

31. (New) A method of conducting an auction for shares of a pooled investment product that periodically declares a single net asset value comprising:

identifying a net asset value of the pooled investment product after the pooled investment product achieves a predetermined rate of return, wherein the net asset value corresponds to a share price of the pooled investment product at the predetermined rate of return;

opening an auction for the shares of the pooled investment product;

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receiving from a plurality of bidders during the auction a variety of bids for shares of the pooled investment product, the bids including a bid price per share and a number of shares bid;

determining a winning bidder based on the variety of bids;

reducing shares available for auction by the number of shares bid by the winning bidder; and

repeating the steps of determining the winning bidder and reducing the shares available for auction.

32. (New) The method of claim 31 further comprising:

maintaining bidder account information corresponding to each bidder; and

updating the bidder account information for each of the winning bidders to reflect a return, the return equaling the difference between the net asset value and the respective winning bidder's bid price per share multiplied by the number of shares bid by the respective winning bidder.

33. (New) The method of claim 31 wherein the winning bidder is the bidder who bid the highest bid price per share.

34. (New) The method of claim 31 comprising generating electronic messages and transmitting electronic messages to the bidders.

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35. (New) The method of claim 31 further comprising:

generating an electronic message, the electronic message comprising bidder registration information and winning bidder information; and
transmitting the electronic message to a transfer agent.

36. (New) The method of claim 31 further comprising:

receiving purchase information for each of the winning bidders, the purchase information relating to a purchase by each of the winning bidders of a number of shares bid by each of the respective winning bidders at the respective winning bidder's bid price per share.